

INDIANA OFFICE OF COMMUNITY AND RURAL AFFAIRS  
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM  
LIEN AND RESTRICTIVE COVENANT AGREEMENT

CDBG Award # «AWARD #»

This Lien and Restrictive Covenant Agreement (“Agreement”) is made by \_\_\_\_\_, (“Recipient”), a political subdivision of the State of Indiana and \_\_\_\_\_ (“Subrecipient”) the owner of certain real estate located at \_\_\_\_\_, in \_\_\_\_\_ County, State of Indiana, more particularly described on “Exhibit A” (“Real Estate”), as recipient(s) of funds from the Indiana Office of Community and Rural Affairs (“OCRA”).

Recipient enters this Agreement for the benefit of OCRA. OCRA has the exclusive right to enforce the terms of, and protect the interests created by, this instrument.

**I. PURPOSE**

- A. Recipient applied for and received an award of Community Development Block Grant (CDBG) funds on behalf of Subrecipient from OCRA pursuant to that certain agreement by and between Recipient and OCRA dated \_\_\_\_\_, to be used for <<purpose of grant>>.
- B. OCRA administers the state’s CDBG Program (the “Program”), which awarded funds to Recipient subject to Title I of the Housing and Community Development Act and other certain rules, regulations, guidance and notices relating to the Program issued by OCRA from time to time.
- C. Recipient received a grant from OCRA in the amount of \_\_\_\_\_ **and 00/100 Dollars (\$\_\_\_\_\_.00)** for the project described in Recipient’s agreement with OCRA (“Project”), which is subject to all of the requirements of the Program.
- D. Recipient and Subrecipient have represented to OCRA that the Real Estate shall comply with all applicable compatible use requirements of the Program and that Recipient shall maintain the Real Estate in accordance with the terms contained in the Grant Agreement No. <<grant agreement #>> and Subrecipient Agreement <<#>> (collectively “Program Document”).
- E. The Program requires that certain use restrictions be imposed upon any real estate assisted by CDBG funds awarded by OCRA.

## **II. AGREEMENT**

Recipient and Subrecipient hereby impose the following restrictive covenants upon the Real Estate until Recipient is issued a Certificate of Completion for the Project, which shall be enforceable by OCRA, and Recipient and Subrecipient hereby warrant, grant and convey to OCRA a lien upon the Real Estate for the period specified above (the "Lien"). In consideration of these mutual undertakings and covenants, the parties further agree as follows:

- A. Compatible uses. The Real Estate shall be dedicated and maintained for the use(s) set forth in the Program Documents for a five year period or until a Certificate of Completion is issued by OCRA.
- B. Insurance. Recipient and/or Subrecipient shall maintain property damage, comprehensive coverage, and liability insurance in an amount equal to the replacement cost of the property or improvements made with grant funds. Recipient shall be named as the loss payee of all such policies and maintain proof of such insurance until the issuance of a Certificate of Completion.
- C. Transfer, Assignment, or Liens. The Recipient and Subrecipient agree that neither party shall convey any interest in the Real Estate without the prior written consent of OCRA. The Real Estate shall not be pledged or mortgaged as collateral for loans without the prior written consent of OCRA. Recipient and/or Subrecipient shall cure and otherwise perfect all liens placed against the Real Estate.
- D. Inspection. OCRA and its representatives and assigns shall have the right to enter upon the Real Estate, at reasonable times and with reasonable notice, for the purpose of inspecting the Real Estate to ensure compliance with the terms of the Program Documents.
- E. Enforcement. If the Real Estate is not maintained according to the terms of the Program Documents, the Recipient and/or Subrecipient is responsible for taking measures to bring the Real Estate back into compliance.
  - a. OCRA or its representatives or assigns will notify the Recipient in writing and advise them that they have 60 days to correct the violation.
  - b. If the Recipient or Subrecipient fails to demonstrate a good faith effort to come into compliance with the terms of the Program Documents within the 60-day period, OCRA or its representatives or assigns shall enforce the terms of the Program Documents by taking any measures it deems appropriate, including but not limited to bringing an action at law or in equity in a court of competent jurisdiction.
- F. Consideration. Recipient and Subrecipient state that the financial assistance received through the Program represents good and valuable consideration for this Agreement and that restrictions on the use of the Real Estate are consistent with the statutes, regulations, terms, conditions, and requirements for the Program.
- G. Binding Effect. This Agreement shall be binding upon the Real Estate and shall constitute a restrictive covenant. Recipient agrees that any and all requirements of the laws of the State of Indiana which must be satisfied so that the provisions of this Agreement constitute valid and binding deed restrictions and covenants on the Real Estate shall be satisfied in full. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, representatives, successors, and assigns.
- H. Governing Law; Venue. This Agreement shall be construed and governed in accordance with the laws of the State of Indiana. The parties agree to submit to the exclusive jurisdiction and venue of the courts of Marion County, Indiana for any action arising out of this Agreement.

### NON-COLLUSION AND ACCEPTANCE

The undersigned attests, subject to the penalties for perjury, that he/she is Recipient, or that he/she is the properly authorized representative, agent, member or officer of Recipient, that he/she has not, nor has any other member, employee, representative, agent or officer of Recipient, directly or indirectly, to the best of the undersigned's knowledge, entered into or offered to enter into any combination, collusion or agreement to receive or pay, and that he/she has not received or paid, any sum of money or other consideration for the execution of this Agreement other than that which appears upon the face of this Agreement.

IN WITNESS WHEREOF, Recipient has, through its duly authorized representative, entered into this Agreement. Recipient, having read and understood the foregoing terms of this Agreement, does by its respective signature dated below hereby agree to the terms thereof.

RECIPIENT:

«RECIPIENT»

By: \_\_\_\_\_

Printed: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

STATE OF INDIANA   )  
  ) SS:  
COUNTY OF \_\_\_\_\_ )

Before me, a Notary Public, in and for said County and State, personally appeared \_\_\_\_\_, the \_\_\_\_\_ of «RECIPIENT» who acknowledged that the foregoing Lien and Restrictive Covenant Agreement was executed as his/her/their voluntary act and deed and that the foregoing representations are true and correct.

WITNESS my hand and seal this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

\_\_\_\_\_

Printed Name: \_\_\_\_\_

My Commission Expires: \_\_\_\_\_

A Resident of \_\_\_\_\_ County, Indiana

### NON-COLLUSION AND ACCEPTANCE

«RECIPIENT» LIEN AND RESTRICTIVE COVENANT AGREEMENT	«AWARD #» PAGE 3 OF 5
--	--------------------------

The undersigned attests, subject to the penalties for perjury, that he/she is Subrecipient, or that he/she is the properly authorized representative, agent, member or officer of Subrecipient, that he/she has not, nor has any other member, employee, representative, agent or officer of Subrecipient, directly or indirectly, to the best of the undersigned's knowledge, entered into or offered to enter into any combination, collusion or agreement to receive or pay, and that he/she has not received or paid, any sum of money or other consideration for the execution of this Agreement other than that which appears upon the face of this Agreement.

IN WITNESS WHEREOF, Subrecipient has, through its duly authorized representative, entered into this Agreement. Subrecipient, having read and understood the foregoing terms of this Agreement, does by its respective signature dated below hereby agree to the terms thereof.

SUBRECIPIENT:

«SUBRECIPIENT»

By: \_\_\_\_\_

Printed: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

STATE OF INDIANA )  
 ) SS:  
COUNTY OF MARION)

Before me, a Notary Public in and for said County and State, personally appeared \_\_\_\_\_, the \_\_\_\_\_ (title) of \_\_\_\_\_ (subrecipient), and who acknowledged that the foregoing Lien and Restrictive Covenant Agreement was executed in such capacity as its voluntary act and deed.

WITNESS my hand and seal this \_\_\_\_ day of \_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_

Printed Name: \_\_\_\_\_

My Commission Expires: \_\_\_\_\_

A Resident of \_\_\_\_\_ County, Indiana

**APPROVED by INDIANA OFFICE OF COMMUNITY AND RURAL AFFAIRS** on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_,

«RECIPIENT» LIEN AND RESTRICTIVE COVENANT AGREEMENT
--

«AWARD #» PAGE 4 OF 5
--------------------------

By: \_\_\_\_\_  
Aletha Dunston, CDBG Program Manager

STATE OF INDIANA    )  
                                  ) SS:  
COUNTY OF MARION)

Before me, a Notary Public in and for said County and State, personally appeared Aletha Dunston, CDBG Program Manager of the Indiana Office of Community and Rural Affairs, and who acknowledged that the foregoing Lien and Restrictive Covenant Agreement was executed in such capacity as its voluntary act and deed.

WITNESS my hand and seal this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
Printed Name: \_\_\_\_\_

My Commission Expires: \_\_\_\_\_

A Resident of \_\_\_\_\_ County, Indiana

INSTRUCTIONS TO RECORDER: Upon recording, this instrument should be returned to:

Office of Community and Rural Affairs  
Attn.: Neil Brook  
One North Capitol Ave., Suite 600  
Indianapolis, IN 46204

This instrument was prepared by Mark Wuellner, Attorney, Office of the Lt. Governor, One North Capitol Ave., Suite 600, Indianapolis, IN 46204 (317) 232-8831.

I affirm, under the penalties of perjury, that I have taken reasonable care to redact each Social Security number in this document, unless required by law, /s/ Mark Wuellner.